achievements in the history of the City of Buffalo as it was recognized with the 2005 National American Planning Association Award for "The Queen City Hub: A Regional Action Plan for Downtown Buffalo, as the best plan in the country.

The plan's development began in the late 1990's as the Mayor created a partnership with the City of Buffalo, the University of Buffalo Urban Design Project and Buffalo Place, the leading business group dedicated to downtown development, with the mission of making downtown Buffalo a 24/7 community to live, work and play. This effort has more than succeeded with $1 billion dollars of public and private investment in the ground and in planning stages that includes the Buffalo Niagara Medical Campus to the waterfront and connects to the east and west side neighborhoods of Buffalo. The Mayor himself led" Seeing Is Believing," a series of highly successful walking tours of downtown Buffalo through 2004 and 2005 where hundreds of people followed this very tall Mayor as he walked briskly in and out of converted buildings which now features the wildly popular loft apartments, theatres, grocery stores, mixed use buildings, new single family homes and pointed proudly to green space, traffic improvements and new hope for future growth.

While he gives credit to all who joined him in this collaboration, it was Mayor Masiello who created the partnership that led to the Queen City Hub plan and developed the award-winning road map to be followed by those who will follow him.

Mayor Masiello's ability to create real partnerships with a stated goal and a heartfelt commitment to make Buffalo a better place must be rightly acknowledged. A Mayor's job is never easy and perhaps, never tougher than throughout the 12 years of the Masiello administration when the challenges of the leading a northeast urban center to a new century and in a new direction brought with it crushing financial conditions that never crushed the Mayors spirit.

And so this grateful Congressman and city resident offers heartful thanks and best wishes to the Honorable Anthony M. Masiello as he concludes this chapter in a lifetime of public service and begins new challenges and opportunities. We send our deepest appreciation to his family, who also serves, as we thank his beautiful wife, personal and professional partner, Kate Maseillo, and their daughters, Ariel and Madeline. We also acknowledge the Mayor's newest title—grandfather—to Rose Elizabeth, the daughter of his daughter, Kim and husband, John Adamucci, and wish health and happiness as another grandchild is on its way.

Perhaps the highest tribute we can pay to the 57th Mayor of the City of Buffalo is with his own words and so I will conclude my comments, by including those of Mayor Anthony M. Masiello—on the man who showed him by example to never walk away from the challenges of being Mayor—his father, Dan, who died earlier this year. "My father worked two or three jobs at a time for many years to support seven children. He was a foreman for the city's sanitation department and then he would work 3–11 p.m. at night unloading trucks for 10–15 years. Yet he never missed a day of work even when he was sick or tired. I remember seeing him so tired he could hardly stand up but he would go to see his second job not long after leaving his first. Some days I would think of my Dad as I was driving to City Hall so I would just pick myself up and keep going. This is a city worth fighting for and it was my privilege to fight for it for the last 12 years."

Thank you Mayor Masiello for fighting for Buffalo, for bringing us together and bringing out the best in who we are and what we can be by continuing to work together. Thank you for leading us to a Better Buffalo.

PENSION PROTECTION ACT OF 2005

SPEECH OF

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 2005

Mr. MOORE of Kansas. Mr. Speaker, I rise today to express my support for H.R. 2830, the Pension Protection Act of 2005.

As the nature of our economy has changed in recent decades, our manufacturing sector has experienced difficult times. Many companies in the auto, auto parts, and steel producing industries are now burdened with expensive legacy costs, particularly pension obligations, that are increasingly difficult to honor. Long-term costs have contributed to the need for companies in these industries to seek significant cost savings, sometimes through factory closings and employee layoffs. Consequently, defined benefit pension plans sponsored by some of the companies in these industries, as well as in the airline industry, in which several companies have sought Chapter 11 bankruptcy protection in recent years, have been turned over to the Pension Benefit Guaranty Corporation [PBGC].

This legislation, while not perfect, seeks to increase private companies' funding of their employees' pension plans, as well as improve the financial health of the PBGC by increasing companies' premiums to the agency. The risk of a taxpayer-funded bailout of the PBGC, which is funded entirely by companies' that sponsor defined benefit pension plans, is very real in the near future. According to Bradley Belt, the Executive Director of the PBGC, "Unfortunately, the financial health of the PBGC is not improving. The money available to pay benefits is eventually going to run out unless Congress enacts comprehensive pension reform to get plans better funded and provide the insurance program with additional resources." Congress has a responsibility to act now to prevent a PBGC bankruptcy and future taxpayer bailout of the agency.

Last year, the PBGC absorbed 120 terminated defined benefit pension plans, and last month the agency announced that in fiscal year [FY] 2005 it had liabilities of $79.2 billion and assets of $56.5 billion. That amounts to a deficit in the pension insurance program of $22.8 billion. While the FY05 deficit improved slightly over FY04's deficit of $23.3 billion, the latest deficit figure from the PBGC is somewhat misleading. The agency's FY05 deficit actually would have increased to $25.7 if it had included company-plan terminations announced after the fiscal year ended on September 30. Probable pension losses from companies that filed for Chapter 11 protection in September, including 2 large airlines and a major auto-parts supplier, will likely increase the PBGC's liabilities. The PBGC estimates that the pension plans in those companies are underfunded by more than $15 billion. The agency includes those pension plans in its category of financially weak company plans, the liabilities of which rose to $108 billion this year from $96 billion in 2004.

In 2004, the PBGC collected only $1.5 billion in premiums from the companies that it insures. H.R. 2830 would raise companies' annual PBGC premium payments from $19 to $30 per participant. The $30 premium would be phased in beginning in 2007, on a schedule based on a plan's funded status. Even with premium increases in H.R. 2830, it could take more than a decade to close the agency's deficit. I hope that this bill is the beginning of the PBGC's long march back to fiscal health.

Further, H.R. 2830 would increase companies' funding requirements for their defined benefit plans and would shorten the period over which funding shortfalls must be eliminated. The bill's provisions regarding both single- and multi-employer plans move companies in the right direction.

I also appreciate the willingness of Chairmen JOHN BOEHNER and BILL THOMAS to agree to a significant improvement in the "shutdown benefits" provision of H.R. 2830 as introduced. Shutdown benefits, which are payments made to long-service employees when a plant is shut down, would have been prohibited under the original version of H.R. 2830. The improved version of this measure allows a defined benefit plan to provide shutdown benefits if the plan is at least 80 percent funded. Well-funded pension plans will be able to continue providing shutdown benefits to employees who have worked hard over their careers and expect the retirement benefits that they have been promised. H.R. 2830 will soften the blow of expected plant shutdowns at companies that have fulfilled their responsibilities to their employees and funded their pension plans as they were supposed to over the years.

Finally, I am very supportive of the provisions in H.R. 2830 that would make permanent several retirement savings provisions that were included in the 2001 tax law, including the increases in IRA and 401(k) contribution limits, with their full adjustments for inflation. Prior to 2001, the maximum amount that a taxpayer could contribute to an IRA was $2,000 per year. The 2001 tax law gradually increased that limit to $5,000 [by 2008]. I worked to ensure that IRA contribution limits increased in that law, and believe that the permanent extension of those limits will increase the certainty needed in retirement planning. Likewise, I strongly support the bill's language that would make permanent the saver's credit for low-income taxpayers. Taxpayers with incomes below $50,000 for a married couple, and below $25,000 for individuals, are eligible to receive a tax credit of up to 50% of contributions [up to $2,000] that they have made during the year to employer-sponsored retirement plans or IRAs. Increasing incentives for people of all income brackets to save for their retirements should be a top priority of Congress, and I will continue to work with my colleagues in both parties to improve the national savings rate in our country.